

Item: _____
Fiscal Impact: _____ N/A
Funding Source: _____ N/A
Account #: _____ N/A
Budget Opening Required: ☐

ISSUE:

A resolution encouraging the Utah State Legislature to utilize the current transportation funding distribution formula for any increase to the statewide gas tax so that the entire transportation network may benefit from any increase.

SYNOPSIS:

Utah's transportation network is comprised of federal, state, county and city roads. Cities and towns own and maintain approximately 10,000 miles (23 percent) of this network which handles approximately 25 percent of total annual traffic generated in the state.

BACKGROUND:

This road network is unquestionably interdependent and proper funding for the entire system, regardless of jurisdictional ownership, is critical for the safe and efficient movement of people, goods and services. In 1923, a statewide gasoline tax was assessed to raise funds for the construction and maintenance of this road network and in 1937, the B & C funding system was established, providing direct funding sources for city and county roads. The B & C road fund provides roughly 50 percent of the funds required to maintain and build roads, the balance of funds coming from local sales and property taxes. This shared funding mechanism recognizes that all jurisdictions that build and maintain the transportation network should be proportionally compensated for such.

For a number of years, the costs associated with building and maintaining this vital transportation network have increased significantly for states, counties, cities and towns, and West Valley City relies heavily on Class C road funds for street maintenance and construction. Class C road funds represent approximately half of the total spent on maintenance and construction. Similar to the state, municipalities are suffering significant revenue shortfalls and road construction and maintenance is being canceled and deferred. It is the City's appeal that any increase to the statewide gas tax by the 2009 Utah Legislature should be distributed according the current formula so that the entire transportation network will benefit.

RECOMMENDATION:

Recommend the approval of this resolution.